

# **APPENDIX A**

**Task Force Resolution on Tongass Land Management Plan  
minimum harvest level and draft minutes from the December  
20, 1996 meeting**



SOUTHEAST REGIONAL TIMBER TASK FORCE  
RESOLUTION SUPPORTING THE TIMBER INDUSTRY

WHEREAS the mission statement for the Governor's Southeast Regional Timber Task Force calls on the Task Force to "develop a vision and a plan to achieve a balanced industry...that is economically viable," and further calls on the Task Force to identify immediate steps necessary to allow (remaining) businesses to remain viable," and

WHEREAS the Southeast Regional timber Task Force has held five meetings over the last four months to discuss the future of the timber industry in Southeast Alaska; and

WHEREAS employment and economic prosperity in Southeast Alaska are inextricably linked to the resources of the Tongass National Forest and are dependent on their management; and

WHEREAS jobs in the forest products industry are an important element of the economic diversity and opportunity in the region allowing communities to maintain healthy economies; and

WHEREAS industry members of the Task Force have advanced an outline of a business plan which shows that an annual harvest of 300 mmbf is the minimum level the industry believes is necessary to sustain an integrated timber industry in Southeast Alaska; and

WHEREAS the industry model indicates the potential for maximizing employment in the forest products industry by developing additional secondary manufacture of wood products within the state; and

WHEREAS coupled with the need for a stable fiber supply, the success of secondary manufacturing in Southeast Alaska depends on a healthy primary manufacturing component, including a facility to process low end wood; and

WHEREAS the industry model suggests including the application of new technology, enhanced productivity, and expanded marketing efforts in the new Tongass timber industry;

THEREFORE BE IT RESOLVED that at a minimum the preferred alternative of the Tongass Land Management Plan announced by the forest supervisors be maintained because any decision to further reduce the harvest level in the Tongass below that volume will devastate the existing timber industry infrastructure throughout Southeast Alaska; and

FURTHER RESOLVED that the State of Alaska strongly objects to any reduction in the volume of the preferred alternative and to any further delay in the issuance of the Record of Decision for the Tongass Land Management Plan revision.

12/20/96

DRAFT Minutes  
SE Region Timber Industry Task Force  
via Teleconference December 20, 1996

Acting Task Force Chairman, Petersburg Mayor Jeff Meucci **Called the Teleconference to Order** at 11:30 am. This conference was held to take up proposed resolutions about the Tongass Land Management Plan (TLMP) which apparently began during a meeting held on December 18th.

At **Roll Call all Task Force members** were present or represented by proxy except Mayor Doug Roberts who was on holiday leave. Karl Ohls was filling in for Task Force Facilitator Kathleen Morse who was also on holiday leave. Marilyn Heiman of the Governor's office was also connected. Ruth Tadda was present and recording the teleconference.

The following list of documents were distributed:

- Two resolutions drafted at the December 18 meeting
- Draft letter to Phil Janik from Chairman Roberts
- Draft letter to Dan Glickman from Jim Ayers
- Mayors Proposed Resolution Supporting Timber Industry from Mayor Jack Shay
- Report of December 17 Task Force Subcommittee Meeting
- Urgent Note to the Task Force from John Sisk

Mayor Meucci made a brief opening statement. He said he talked to Mayor Roberts the day before regarding this meeting. He said they had a couple of common ideas. He said the group is there to finish up the teleconference which had been started Wednesday morning. He said Governor Knowles has asked the Task Force to work on five specific goals and objectives: He said the first one is to restructure the industry for competitiveness for the 21st century, develop solutions to the timber supply problem, stabilize the remaining players in the industry, provide assistance to individuals and businesses in the Southeast Region, provide counsel to the Governor regarding wood products and processes. Whatever number comes out of the Task Force must be a well thought out and defensible number that we can justify to the public and to the media. The AFA is intent on pushing the Task Force to enforce a harvest number that can be used as a club to beat the forest service and the Clinton administration and the Task Force is being used to manipulate it. If the AFA is intent on helping the Task Force in working on the harvest level model, then we should welcome their efforts. The Task Force has done a great job of working together to address the issues Governor Knowles has given us. If the AFA is looking to drive a wedge between the members of the Task Force and getting them to disband, then they are on the right track. He hoped this is not the case and said he felt the resolutions are very premature at this time. On a procedural issue, with all due respect to Mr. Sportsman, the Governor had made it very clear who is on the Task Force, and according to the Governor's office, Mr. Sportsman is not on the Task Force. As chair of this meeting, Mr. Sportsman's motion for the resolution is not a proper motion and will not be accepted. He then opened the floor.

Bob Loescher did not agree with the content of the Chairman's opening remarks. He said as a Chairman he would like to see him chair the meeting and allow them to conduct some business. The other thing is if Mr. Sportsman's motion is not in order, than he would make the motion as member of the Task Force. He still wanted to see it on the table as the opening piece of business before this meeting. He suggested otherwise a substitute motion would be in perfect order. He said as a Task Force member, he is doing the best to further the business of the Task Force and he does not need anybody ridiculing his efforts to try to preserve and restructure and revitalize the timber industry.

Mayor Meucci said he is not ridiculing it but is trying to set the record straight and wanted to be sure it is being done procedurally correctly. He said we can take a resolution if it's Bob motion. He asked which resolution he's looking at.

Errol Champion said his second still stands.

Mayor Shay - as a point of order - asked what was Mr. Loescher's motion and who was it that wrote the opening statement.

Bob Loescher said he was going to restate and reintroduce Mr. Sportsman's motion by doing it himself as a Task Force member and asked Mr. Champion to second the motion again:

The Southeast Region Timber Task Force recommends to the Governor a minimum federal harvest level of 300 mmbf per year to support jobs and to provide an investment climate for primary and secondary manufacturing facilities in Southeastern Alaska. This is the minimum level necessary from a business standpoint to support an industry that would fully utilize the timber resource, provide adequate jobs to timber dependent communities and make possible the infrastructure required for value added products. This minimum level is also the volume recommended by the forest supervisors as the preferred alternative for the Tongass Land Management Plan.

Chair Meucci said that the group had been given two resolutions from the office of the Governor. One was marked #1 and the other #2.

Errol suggested then procedurally someone may advance those as alternates or substitutes to what Mr. Loescher just made.

Chair Meucci said that a second had been made to the motion by Bob Loescher so the group was open for discussion.

Jim Mackovjak agreed fully with the comments that the Chair started the meeting out with and said the group is way ahead of themselves in endorsing any number. He said they need to consider other options since they barely just started on this in Ketchikan. The group needs to get other parties involved in their plan. There are no representatives of the fishing industry or the visitors industry or the subsistence or native cultural interests on the Task Force. Once the group arrives at a model, the group needs to have this model certified by independent entity.

John Sisk agreed with the Chair's and Mr. Mackovjak's statements and asked how the group would proceed. He wanted to introduce a substitute amendment to make sure they don't get the question called before they had a chance to explore it further. He said he has a substitute motion:

That the Southeast Alaska Timber Task Force forward to appropriate federal officials copies of the timber industry models presented to the Task Force by the Alaska Forest Association and a representative of the Southeast Alaska Conservation Council with a statement that although Task Force members are not of one mind with regard to what harvest levels are desirable, the Task Force does agree that we need a sustainable timber industry.

Jim Mackovjak seconded it.

Chairman said it has been moved and seconded and asked for discussion.

Mayor Pete Haligren said he thinks the group is all going to dance around the same question so he thought he'd say he does not really want to set a minimum cutting figure at this point. He thought he made that clear a week ago, however, he was extremely angry at the TLMP delay. He does not personally believe that AFA is trying to pull a fast one. But he thinks the latest TLMP delay is not science but is pure politics and sees this delay as greatly impacting not only the timber industry but Sitka which has a timber election coming up February 4th. Because of the politics that are going on here as opposed to science, he personally would be willing to support Doug Roberts resolution number 2, the 300 mmbf ASQ. His last comment is that he read the Ayers letter and he likes it quite a bit and thought it should go in immediately but would add to paragraph 1 a mention of the closed Wrangell and Sitka mills also. He did not think AFA and the industry is pulling a fast one. We are out of science and into straight power politics and he is not happy with being in that position.

Chairman Meucci asked for other discussion.

Bob Loescher said he will be voting no for the substitute motion. He has great difficulty with the model advanced by SEACC. There is some large gaps in their proposal. They do not deal with the low grade wood. They state that at the offset. We have to deal with low grade saw logs and pulp logs and have a solution to that. He has a problem with the notion that you can leap to secondary manufacturing without first dealing with primary manufacturing and breaking down logs, etc.. He thinks that the future is in secondary manufacturing but we need to build the core industry so we can produce the material that can be used for secondary manufacturing. He thinks there is a giant leap that needs to be dealt with and it is not dealt with in that proposal. The other thing is that the credibility of the proposal. He is concerned that the proposal is not put together by professionals, is not backed up with investors who are willing to implement such a proposal. He thinks that there is a lack of credibility in that proposal and as one company who is prepared to invest substantial amounts of new capital in the industry and already has substantial amounts of capital in the existing industry, he believes that the offerings that are made

by AFA are much more credible and can be implemented. So he is going to be opposing the motion offered by Mr. Sisk.

Jim Mackovjak reiterated that any model they come up with - no matter who comes up with it or what kind of hybrid it is - should be certified by an independent entity to make sure it is can be financed. Something they can show Southeast Alaska and maybe take some of the blame off of themselves if they come up with some sort of a bogus model. He would not put together a business proposal and expect to sell it to a stockholders without having somebody who knows what they are talking about check it out for him. Also, he commented that the people who are pushing the big numbers where is the timber supposed to come from? Tenakee Inlet?

Ginny Tierny stated that she will have to oppose Mr. Sisk's motion for an entirely different reason. She thinks at this point in time it is way too premature to advance either proposal. These proposals were introduced last week in Ketchikan before the group. They have not gone through the type of review she thinks that this group needs to go through before they advance any proposal. To do so at this point in time would muddy the waters and confuse the issues and decision-makers in Washington D.C. She did not propose that these be thrown on the table and used in ways that they are not meant to be used.

Mayor Jack Shay said he did not have that much of a problem with the models presented at the last Regular Task Force meeting. He agreed with Mayor Tierny that it is somewhat premature to go ahead and forward those things. In addition, he did not believe that AFA is trying to drive any wedges in here. Also, he thinks that perhaps this motions fails and he does not think he can support it - then he would like to have consideration for his further compromised proposal entitled the Mayor's Proposed Resolution and mark that #3. The dilemma that the group finds themselves in is that the Record of Decision is coming imminently and we are going to be absorbed in the activities of the holidays. He thinks there is no danger in proposing something of a nature of his idea that just says that the industry says that 300 mmbf is a minimum level and then in the resolves that we just talk about the preferred alternative and objecting to the question of the volume.

Chairman Meucci asked for any other discussions.

John Sturgeon said, he was in a dilemma and agreed with Mayor Haligren that TLMP is 90% politics and 10% science. He thinks if the administrations were different or the politics were different then we would be looking at different number, which spells politics. One of the things he thinks industry could offer and agrees is after working with industry in Alaska for 26 years, he knows there is an economy of scale if you are going to have an industry you need a certain amount of raw material, whether its fish or tourists. From a technical standpoint, he believes a volume of 300 mmbf is what is needed to sustain a timber industry. He has a problem in recommending an ASQ number because he looks at that as technical advice to the Governor and if you want to maintain existing industry, you need around 300 mmbf. Or if you want an integrated industry that takes care of the low end that Bob is talking about plus the breakdown manufacturer so the secondary and tertiary manu-

facturers can have the raw material they need to do their work, you need economies of scale. He was concerned about how it shakes out in these resolutions.

Alaire Stanton was concerned about procedure. These are really big issues to deliberate on teleconference which is late in which we have limited minutes to deal with. She had another appointment and said this is a bad idea to try to arrive at some sort of timber harvest level or anything else in a teleconference setting. She did not believe there was an emergency and was sad the Task Force had got to this point after we were doing so very well at deliberating different aspects of the timber industry and getting different perspectives. Now we are down to voting yea or nay on a resolutions or motions which she believes are premature. She had no idea how to resolve it, industry know-how or political skills to bring people together unless everyone is willing to come together to meet and resolve differences. Not just vote yea or nay on a bunch of resolutions.

Bob Loescher called for the question on the substitute motion.

John Sisk asked to speak to his substitute motion before it is called to question. He wanted to give everyone a chance to speak. The reason he proposed it was because he tried to craft something to respect the working models presented to them and acknowledging they are far from ready to be adopted. If AFA feels so strong that theirs is the perfect answer, he does not share that - he thinks it has tremendous flaws and questions. People have raised similar things about the SEACC model. He thought this might be a way to demonstrate we respect the work that has going into them without pinning down a number which would divide the Task Force. It would make the Governor's assigned mission very difficult. He thinks the minimum 300 mmbf is a nonstarter. He was concerned about the credibility of their effort. He wanted to preserve their working relationship, keep the options open and collaboration and mutual respect. He would vote against any number from zero to infinity because that is not where we should be. We need to address the questions from the working group that he brought up in the draft summary document at the last meeting before we can begin to move towards a number. He also had to leave as he was late to another commitment. If he had to leave before this group resolves these things, he asked that the record show clearly that he would vote no on any number and would not endorse a number or a model at this time.

Bob Loescher called for the question on the substitute motion.

Chairman Meucci had John Sisk re-state his resolution and asked Ruth Tadda to call the roll on this. All voted nay except 3 (Jim Mackovjak, Jeff Meucci and John Sisk).

Chairman Meucci said the substitute resolution failed and went back to the motion presented by Mr. Loescher (Resolution #2).

Marilyn Heiman said she knew there was an effort afoot to pass several forms of resolutions. She appreciated everyone's willingness to try to amend resolutions to get broader support. She did not think there is broad support on any of the resolu-

tions before the committee. She said yesterday at the direction of Chief of Staff, she had tried to draft a letter to be signed by Jim Ayers since the Governor is on vacation, that would put out the information that is being discussed today and at the last Timber Task Force meeting but also urge that the White house and the Department of Agriculture move quickly on finishing TLMP and the importance of it to Southeast Alaska and they understand there is a strong opinion by industry based on industry model that a harvest level below 300 mmbf will be devastating and that we do need the support of the administration to finish TLMP and for financial assistance, if, in fact there is effort afoot to reduce that harvest level. She thinks the letter addresses many of the concerns that have been raised. She is speaking on behalf of the administration and not as a member of the Task Force. She thinks it would be better for the Task Force to consider having this letter go out from the Governor's Office then see if we can have an impact on the administration and bring these resolutions back up during the next Timber Task Force meeting on the 16th [sic] when people are meeting in person and have the documents before them. WE can try to make sure the Task Force stays as a whole body and works in the next couple weeks to urge the administration to finish TLMP as soon as possible, that is causing all kinds of problems including in the Task Force. She put it as a proposal since she cannot make a motion.

Bob Loescher appreciated the draft letter which he is still studying. He would prefer as Mayor Shay indicated that he had a resolution. He asked Mayor Shay if he was prepared to advance his substitute resolution.

Mayor Shay said Mr. Loescher's motion was still on the floor but made a substitute motion that the resolution entitled the Mayor's Proposed Resolution Supporting the Timber Industry be adopted in lieu of motion for alternative #2 by Mr. Loescher.

Ginny Tierny seconded it.

Jack Booth asked that it be repeated.

Mayor Shay said he'd faxed it but it is the one that only has in the "whereas" the figure at one point is mentioned:

Whereas industry members of the Task Force have advance an outline of a business plan which shows that an annual harvest of 300 mmbf is the minimum level the industry believes is necessary to sustain an integrated timber industry in Southeast Alaska; and

He said the resolve parts are in 2 paragraphs at the bottom and they do not mention any figures. They do mention the preferred alternative. They copy sent should indicate (2nd to last paragraph) that the Preferred Alternative should be capitalized because it is a standing element which is in the proposal. He asked if Mr. Booth had any more questions.

Chairman Meucci asked if everyone had Mayor Shay's Resolution.



Jim Mackovjak asked if in the "Therefore be it resolved", if a minimum preferred alternative could be used. He asked if you could substitute equal or greater than 297 mmbf?

Mayor Shay said yes, he believes it is.

Bob Loescher said he read the resolution and appreciated the draft and intent and said he can support the resolution and hoped friends and associates could do the same.

John Sisk said he would like to point out for the record, that to the best of his knowledge, that last year the harvest on the Tongass was about 222. He said he had not seen anything formal from the USFS that clearly breaks out what the public comments on the Preferred Alternative look like. The green thing they sent out was pretty empty. He asked about the technical comments received from business, industry and biologists, community and individual comments. He wondered if someone really wanted to lock the USFS into a draft Preferred Alternative. If the comments leaned towards knocking the cut up a ratchet, would someone still want to lock them into it. And if they knocked it down a ratchet, would someone want them not to respond to legitimate input. He was questioning whether they want to put a "rope around" the USFS public process before it's complete.

Mayor Shay could not answer.

Ginny Tierny asked if a substitute motion to a substitute motion allowable?

There was clarification among the group that Bob Loescher's was the original motion. The Mayors motion to have a substitute motion is in order and is before us. He said we cannot make a substitute to Mayor Shay's motion without first considering his substitute.

Chairman Meucci said the question has been called for on this resolution, the Southeast Regional Timber Task Force Mayor's Proposed Resolution Supporting the Timber Industry.

Ruth Tadda called for the roll: There were all yea's except 4 (Pete Haligren, Jim Mackovjak, Jeff Meucci, and John Sisk).

Alaire Stanton had to leave and suggested they ask the Governor's Office to send the letter that Ms. Heiman distributed. It would be an important piece of the puzzle of whether the resolution passes.

Chairman Meucci asked if they need a motion on the issue of the letter.

Bob Loescher moved to request that they request Jim Ayers proceed to send to the letter.

John Sturgeon seconded it.

John Sisk said in looking at the resolution he needs clarification. He said the way he reads it, the Timber Task Force just established policy for the entire State of Alaska? Do we have the power to do that? Is it legally and administratively possible?

Bob Loescher said as a point of order, with regard to Mr. Champions question about a substitute motion, his understanding was that they substituted his (Loescher's) completely, so the final vote on the substitute is clear and stands by itself. Now he has a motion on the floor before them to ask Jim Ayers to ask to proceed with transmitting these letters to Secretary Glickman. It was seconded by John Sturgeon. He asked to proceed with discussion on the motion with regard to the letter.

The Chairman told him to go ahead.

Bob Loescher said he read the letter carefully and it is helpful and he thinks it would be helpful to the industry to a certain degree. It does talk about issues like requesting technical assistance for national experts to develop models and it talks about capital that may be necessary from the government. While he supports the letter, he believes there are parts of the industry that could benefit from financial and technical assistance from the government, he believes that industry itself is going to put up most of the capital with some governmental assistance. Then when it comes down to the actual design and construction and development and operation of plans, he thinks private industry will be taking the lead on that. He does not disagree with the letter. He thinks it would be helpful and is supporting the vote on asking Chief of Staff Ayers to advance the letter. He was voting for the motion.

Pete Haligren said he would support the draft letter. He would just recommend to Jim Ayers if it is passed, that he also mention the previous closure of the APC Mills in Sitka and Wrangell, not just the KPC mill as putting Southeast in a period of transition.

Jim Mackovjak asked if Jim Ayers letter conflicts with the point John Sisk raised about the State of Alaska strongly objecting? He asked if they are saying different things?

John Sisk said he had to leave and reiterated his opposition to specific numbers and abstained from all further votes during this teleconference. For the record, he said he believes the resolution from Mr. Shay that was just passed is out of line and improper because it attempts to set policy for the entire State of Alaska. He did not think the group is empowered to do that. Although - in due respect for those who voted for it he is concerned they may have done something foolish that they will regret.

Chairman Meucci asked if John Sisk was comfortable with Jim Ayers letter to Secretary Glickman.

John Sisk said he is abstaining from it and is generally comfortable but is not comfortable with the way the meeting is going and the questions he has about the other resolution and how the letter fits into it all. He thinks they lost control of themselves. He left with the very serious question of where it is heading.

Chairman Jeff Meucci said he supports the letter from Ayers and thinks it is what they need to do before they get into the number game. The statement was not intended to disrespect anybody. He was uncomfortable with taking a number and defending it when he does not know how the number was derived other than the timber industry model talked about the previous week which just left them all with questions that he thought they would work on between now and the next meeting. He supported the letter from the Chief of Staff and voted in favor of sending it out.

Ginny Tierny called for the question.

Ruth Tadda called the roll on the motion to the Task Force endorsing Jim Ayers letter. All voted yea with 2 abstaining and 1 absent (Jim Mackovjak and John Sisk abstained and Alaire Stanton was absent).

Mayor Shay asked someone to read his resolution closely and thoroughly enough so they can object to the fact that he is trying to represent the State of Alaska.

Chairman Meucci said he is gone so did not know if they would get a response. For a point of clarification to his opening remarks, he wanted everyone to understand he respects everyone he dealt with on the Timber Task Force. He apologized if he offended anyone.

Jim Mackovjak said when the people he represents sees the resolution that was just passed, they will strongly consider whether they want to be represented on the Task Force.

Ginny Tierny thanked Jack Shay for putting in time and effort to try to arrive a resolution that compromise of the other two to reach accord with the Task Force.

Bob Loescher wished everyone a happy holiday and made the motion to adjourn.

It was seconded and passed without any objections.